



## TRADE GAP WIDENS IN 2004

*U.S. international trade in goods and services*

The U.S. annual goods and services deficit widened in 2004, according to the U.S. Bureau of Economic Analysis and the U.S. Census Bureau. The deficit increased \$121.2 billion from \$496.5 billion in 2003 to \$617.7 billion in 2004, as imports increased nearly twice as much as exports. As a percentage of U.S. gross domestic product, the goods and services deficit increased from 4.5 percent in 2003 to 5.3 percent in 2004.



### Exports

Exports of goods and services increased \$125.6 billion in 2004 to \$1,146.1 billion. Goods exports increased \$94.5 billion and services exports increased \$31.2 billion.

- The largest increases in goods exports were in *capital goods, industrial supplies and materials, and consumer goods*.
- The largest increases in services exports were in *travel, other private services, and other transportation*.

### Imports

Imports of goods and services increased \$246.9 billion in 2004 to \$1,763.9 billion. Goods imports increased \$213.1 billion and services imports increased \$33.8 billion.

- The largest increases in goods imports were in *industrial supplies and materials, capital goods, and consumer goods*.
- The largest increases in services imports were in *other transportation, other private services, and travel*.

### Goods by geographic area

- The goods deficit with China increased from \$124.1 billion in 2003 to \$162.0 billion in 2004. Exports increased \$6.4 billion to \$34.7 billion, while imports increased \$44.3 billion to \$196.7 billion.
- The goods deficit with Japan increased from \$66.0 billion in 2003 to \$75.2 billion in 2004. Exports increased \$2.4 billion to \$54.4 billion, while imports increased \$11.6 billion to \$129.6 billion.
- The goods deficit with the European Union (25) increased from \$97.9 billion in 2003 to \$110.0 billion in 2004. Exports increased \$17.4 billion to \$172.6 billion, while imports increased \$29.5 billion to \$282.6 billion.

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BEA's data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on its Web site: <[www.bea.gov](http://www.bea.gov)>.

NOTE: This and more information is provided in the February 10 press release issued by the U.S. Bureau of Economic Analysis and the U.S. Census Bureau, U.S. International Trade in Goods and Services: December 2004. The next release is March 11, 2005.

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